

Certificate of Participation – Southeast Community Center

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Consideration of ordinances and related agreements and disclosures to authorize and approve the execution of a Certificate of Participation (COP) for the financing of the Southeast Community Center (SECC).

Southeast Community Center CoFC Funding



Recreation Southeast Community Center (SECC) Funding	
SECC Funding Sources (\$ in Millions)	
CCIP Previously Appropriated	\$27.2
2050 COP Proceeds	\$36.0
2050 Tax Reserves	\$10.3
DOLA Grant	\$2.0
Recreation Reserves	\$1.0
Total CoFC Funding for SECC	\$76.5
2050 Tax SECC Financing (\$ in Millions)	
<i>2050 COP Proceeds</i>	\$36.0
<i>2050 COP Financing Cost*</i>	\$12.5
2050 Tax COP Lifetime Cost for SECC	\$48.5
2050 Tax Reserves for SECC	\$10.3
Total 2050 Tax Expense for SECC	\$58.8

*Assumes 15-Year Term at 4% Rate

- COP is a common financing tool to fund large capital projects without issuing traditional debt
- Investors purchase a share of lease revenues, rather than a bond backed by taxes
- COPs structured with a conservative repayment plan and strong credit oversight to maintain the City's financial stability

Ordinance Terms:

- First payment August 19, 2026
- Final payment shall not extend beyond 2056
- Average annual payment shall not exceed \$3.9 million
- Net interest rate shall not exceed 5.25%
- Callable at anytime with no prepayment fee
- Borrowing repayment not to exceed \$58.0 million

Issuance Costs:

- Approximately \$450,000

Collateral:

- Edora Pool Ice Center (EPIC)
 - Eliminates the need for City funds going into the trustee at closing
 - Attracts more investors/lenders and has more favorable rates

Debt Service Source:

Parks & Recreation, Transit and Climate 2050 Sales tax
(Approved by voters in 2023)

Key Upcoming Dates:

- July 23rd Ratings Agency Results Received
- July 27th Public Offering Statement & Notice of Sale Posted
- August 19th Closing and Delivery of Proceeds



Questions?